



City of Huntsville Health Benefits Summary

Self-funded Medical/Dental Plan Administered by Employer Plan Services, Inc.

Note: This information is a summary of your benefits. For complete details on limitations & exclusions, please consult your plan document & master contract.

★ Life and Accidental Death & Dismemberment

All full-time employees are provided life insurance and accidental death & dismemberment coverage.

<u>Age</u>	<u>Under 65</u>	<u>65-69</u>	<u>70-74</u>	<u>75-79</u>	<u>80+</u>
<u>Amount</u>	\$25,000	\$16,250	\$12,500	\$8,750	\$5,000

The above amounts double in the event of accidental death. Accidental death terminates at retirement.

★ Medical Benefits

Benefits are based on reasonable & customary charges and non-occupational accidents & illnesses

1. \$300 calendar year deductible (max. of 3 per family).
2. Deductible carryover included for the last 3 months of the calendar year.
3. 80% of the first \$5000 of covered expenses, then 90% of the next \$2500 of covered expenses, then 100% of covered expenses thereafter (drugs, alcohol, mental & nervous conditions are not eligible for 100% coverage).
4. \$2,000,000 Major medical lifetime maximum.
5. 100% coverage for first \$300 of expenses incurred for treatment of accidental injury, when the treatment was received within 72 hours of the accident.
6. 90% coverage after the deductible for outpatient surgery.
7. Wellness benefit-100% coverage, no deductible for the first \$200 of covered expense incurred per person per calendar year for Wellness Care, including a maximum of \$100 for eye examinations, eyeglasses, contact lenses and any other eye care or eye wear.
8. Pre-existing condition coverage; a pre-existing condition is any condition which has received any medical care and/or treatment including drugs or consultation within 6 months immediately preceding the effective date of coverage. Such conditions are limited to \$500 for the first year of coverage and \$3000 for the second year, no pre-existing limitation thereafter.
9. Precertification before hospital entry is required-Call Managed Care Review Services 1-800-410-0699 (benefits reduced 50% for non-compliance). Verification must occur within 48 hours of an emergency.
10. Claims are administered by Employer Plan Services, Inc., Houston, Texas (713)932-8917 or 1-800-447-6588.

★ Dental Benefits

Benefits are based on reasonable and customary charges

1. Type I Preventive and Diagnostic Procedures Covered at 100%
Procedures covered at 100% are limited to the following Type I procedures: initial exam, periodic exam, and prophylaxis (cleaning). Prophylaxis is limited to two treatments per calendar year.
2. Type I Restorative and Surgical Procedures Covered at 80%
These procedures are covered at 80% after satisfaction of the deductible. Examples are as follows:
Restorative: Fillings, extraction, anesthesia, root canals, fluoride, x-rays, space maintainers
Surgical: Gum surgery and removal of cysts and tumors
3. Type II Major Procedures Covered at 50%
After satisfaction of the deductible, major procedures listed in this category are covered at 50%.
Examples include: inlays, crowns, bridges, dentures and orthodontic treatment.

Deductible Requirement

A deductible consisting of the first \$50 of covered expenses incurred by a covered person during a calendar year will be applied before any benefit is payable, except that no deductible will apply to any procedure covered at 100%, and beginning with the placement of appliances, no deductible will apply to orthodontic procedures.

Maximum Benefit

\$1000 per person per calendar year maximum for all covered dental charges.

\$1000 per person maximum lifetime benefit for orthodontic treatment.

NOTE: Orthodontic services are not covered for dependent children beyond age 19.

★ General Information

- Eligible dependents must be added to the plan within 31 days of being eligible (i.e. marriage, newborn, adoption, etc.)
- Dependents are eligible for the same medical/dental benefits at a cost of \$290.00 per month. Premiums will be deducted from your payroll check in two equal payments.
- It is your responsibility to notify the City of Huntsville's Human Resources office of any change in your family status (i.e. marriage, divorce, death, graduation, change of address, phone number, etc.)
- Effective date of coverage is the first day of the month following employment.

The Health Insurance Portability and Accountability Act of 1996

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) imposes certain requirements on group health plans beginning with plan year anniversary dates after June 30, 1997. Other requirements apply beginning with plan year anniversary dates occurring on or after January 1, 1998. HIPAA provides that the plan sponsor of a self-funded non-federal governmental plan may elect to exempt the plan from any or all of the following requirements:

Effective for health plans beginning with plan year anniversary dates after June 30, 1997

1. Limitations on pre-existing condition exclusion periods. A pre-existing condition exclusion period may not exceed 12 months, and must be reduced, under certain circumstances, by prior medical benefits coverage an individual has had.
2. Special enrollment periods. Group health plans are required to provide a 30-day special enrollment period for individuals and dependents who do not enroll in the plan at the first opportunity because they have other coverage and subsequently lose that coverage. Also, if a plan provides dependent coverage and a person becomes a dependent through marriage, birth, adoption or placement for adoption, the plan must provide a special enrollment period of not less than 30 days.
3. Prohibitions against discriminating against individual participants and beneficiaries based on health status. A group health plan may not establish enrollments rules (including continuous eligibility) for an individual based on any of the following health status-related factors: medical condition (physical & mental illnesses), claims experience, receipt of health care, medical history, genetic information, evidence of insurability, and disability.

Effective for health plans beginning with plan year anniversary dates after January 1, 1998

4. Standards relating to benefits for mothers and newborns. Group health plans offering health coverage for hospital stays in connection with the birth of a child must provide health coverage for mother and child for a minimum period of time, generally 48 hours for a normal vaginal delivery, and 96 hours for a cesarean section.
5. Parity in the application of certain limits to mental health benefits. Group health plans offering mental health benefits may not set annual or lifetime limits on mental health benefits that are lower than limits for medical and surgical benefits. A plan that does not impose an annual or lifetime limit on medical and surgical benefits may not impose a limit on mental health benefits. These requirements do not apply to benefits for substance abuse or chemical dependency.

City of Huntsville has elected to exempt the City of Huntsville Employee Health Plan and Trust from all of the above requirements.

The exemption from these Federal requirements will be in effect for each subsequent plan year, or until otherwise notified.

Additional Life Insurance for Employee, Spouse and Children

- An employee may purchase additional life insurance at their expense from First Continental Life. Term life insurance is available to employees and their families in the amounts of \$10,000, \$25,000, \$50,000, \$75,000 or \$100,000. In order to cover the family, an employee must include coverage on him/herself. Rates for this additional coverage are determined by the age of the insured person(s), the amount of coverage elected, and whether or not the person is a smoker. Coverage for children may be purchased in units – one unit being \$2,500 and two units being \$5,000. The premium is payroll deductible.
- The rates are subject to change with the insurance market and as the insured's age increases.
- If you choose to purchase additional term life, the procedure to enroll is as follows:
 1. Select the amount of insurance coverage you desire.
 2. Complete lines 1-9 of the application form. *Be sure to include all* signatures of adults on form.
 3. Forward completed application to Human Resources office.
 4. Application will be sent directly to the insurance company.
 5. When approved by insurance company, the City will be notified of the premium and employee will receive an insurance policy.
 6. The premium will be deducted from your payroll check in two equal payments.

Coverage is ***not*** guaranteed by the City. Determination of eligibility is up to the insurance company.

Long Term Disability

The City of Huntsville provides a Long Term Disability policy for regular full-time employees with six months of continuous service. Benefits will be paid when an employee is totally disabled for 90 consecutive days. 66 2/3% of your basic monthly salary will be paid to you, with a maximum monthly benefit of \$5,000 coordinated with other benefits. The maximum benefit length is to age 65 for accidents or illnesses (subject to ADEA).

Interface EAP

The Employee Assistance Program is designed to help our employees and their immediate family members with any type of personal problem(s) that may be affecting their life. You can reach the EAP 24 hours a day 7 days a week by calling toll free 1-800-324-4327. For emotional, behavioral, and/or mental health problems your EAP will provide a free assessment(s) to clearly identify the problem(s) and resources available. Based on this assessment you will be provided with alternatives for resolving the identified problem(s). Generally, problem(s) will require either short-term assistance or long-term assistance. Short-term assistance may be provided free of charge within the EAP without using your other benefits or resources. Problems requiring long-term assistance will be managed by using your benefits and/or other resources. In either case, an EAP staff member will be assigned as a case manager to monitor the treatment and ensure that adequate and quality care is provided in the most cost effective manner.

★ Mental, Nervous and Emotional Disorders

Lifetime Maximum Benefit - \$10,000

	Non-Network	*Network
Co-insurance for inpatient care	80%	90%
Co-insurance for outpatient care (limited to no more than 1 treatment per day)	80%	90%
Maximum eligible charge	\$20	\$80
Annual maximum benefit	\$500	\$1,500

Inpatient and outpatient coverage for mental, nervous and emotional disorders is not eligible for 100% coverage.

★ **Alcoholism or Drug Dependency, Separately or Combined**

Lifetime Maximum Benefit - \$10,000

Lifetime Maximum Outpatient Benefit - \$2,400

	Non-Network	*Network
Co-insurance for inpatient care	80%	90%
Co-insurance for outpatient care	80%	90%
Annual maximum benefit	\$1,200	\$2,400

Benefits are not payable for alcoholism and/or drug dependency if the full course of treatment prescribed by the physician is not completed.

For inpatient treatment, benefits are limited to 30 days per calendar year and 60 days during the lifetime of the covered person, whether alcoholism and/or drug dependency.

★ **General Information**

*Network co-payment of 90% and increased dollar amounts is for treatment provided by Interface EAP with the following conditions being met:

1. Treatment is at an Interface PPA facility.
2. Physician is under a Managed Care Contract with Interface EAP.
3. Treatment is managed by Interface EAP.
4. Level of care and length of stay is approved by Interface EAP.

Interface EAP may be reached at 1-800-324-4327 or 713-781-3364.

125-K Flexible Compensation Plan “Cafeteria Compensation” Administered by Smith Administrators

The City of Huntsville offers a Cafeteria Compensation Plan under Section 125 of the Internal Revenue Service Code.

- Participation in the plan allows an employee a voluntary choice to have certain employee benefits paid on a “before-tax” basis.
- Eligible deductions are payroll-deducted premiums for dependent medical/dental coverage, and life insurance premiums for *employee only* (not to exceed \$50,000).
- Reimbursement will be available for “qualifying medical care expenses.” The maximum reimbursement amount is \$5200 per year.
- Participation in this plan is on an annual basis. Participants may not make changes to their election during the year unless there is a change in family status (i.e. marriage, divorce, death of a spouse or child, birth or adoption of a child, termination of employment of a spouse).
- Expenses deferred which have been accounted for, will not be reported to the IRS as taxable income.